

# Bureau of Budget and Management Research *Setbison Maninan Yan Minanehan Gasto*

CITIZEN CENTRIC REPORT FOR FISCAL YEAR 2020

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## VISION STATEMENT

The Bureau of Budget and Management Research aims to provide guidelines on organizational methods, policy, execution, financial management and technical assistance to the various agencies and departments within the Government of Guam. BBMR's goal is to improve the planning, programming, and budgeting abilities of the government. To ensure that all budgetary and control systems are operated in accordance with all local and federal policies, procedures, mandates, and laws, BBMR uses extensive research and planning methodologies for all aspects of the Government of Guam's operations. Additionally, BBMR provides advisory guidance to the Governor on policy development, fiscal impact, program coordination, and planning and budgeting matters.

## MISSION STATEMENT

The Bureau of Budget and Management Research is responsible for developing, implementing, monitoring, and managing the Executive Branch budget for all line agencies of the Government of Guam, as well as providing advisory guidance to the Governor on policy development, fiscal impact, program coordination, and planning and budgeting matters.

## STRATEGIC OBJECTIVES

- Provide guidance and direction to all government agencies on programmatic and budgetary matters.
- Provide the Governor and Legislature with information and support to effectuate and facilitate policy deliberations and decisions.
- Implement the Governor's programmatic and fiscal policies.
- Review and implement legislative mandates affecting budgetary and fiscal policies government-wide.
- Conduct ongoing review and evaluation of financial and operational controls of the Government.

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## STAFF COMPOSITION

Director	<u>1</u>
B&M Supervisors	<u>3</u>
B&M Analyst	<u>2</u>
Administration	<u>3</u>





## WHERE IT ALL STARTS - THE BUDGET CALL



Every fiscal year, the Government of Guam operates using revenue appropriated through that fiscal year's Budget Act. The Budget Act is what authorizes the entire government to spend money from the General Fund and several different Special Funds. But where does this process start?

The Budget Call is a memorandum that is sent out by BBMR between the months of November and December to initiate what is called the Budget Process. It is through the Budget Call that several actions are set in motion.

After this document is disseminated, departments have until the end of December to submit their "Wish List" budgets. BBMR reviews each "Wish List" budget and then creates a budget ceiling. The budget ceiling is determined using revenue projections produced by BBMR. From this revenue estimate, the Governor divides it out to determine departmental budget ceilings. These are used to compile the Governor's Executive Budget Request. The Governor's Executive Budget is then submitted to the Legislature by January 31 of each fiscal year.

## DIGGING A BIT DEEPER

While at its base the Budget Call is a "call for budgets", it is also a way to standardize the format and the methodology of budgets across all line agencies. How is this done? Well, apart from standard budget forms (e.g., budget digests and staffing patterns) the Budget Call also contains guidelines, both general and fiscal year specific, for departments to follow while preparing their budgets. Some examples are as follows:

- All personnel service costs, utilities, and fixed costs must be fully covered as a priority.
- Personnel service costs should be for currently filled positions and for recruitments in progress.
- Budgeting overtime must be justified.
- All anticipated travel must be justified.
- All budget submissions should be presented at maintenance levels, exercising budgetary and fiscal discipline while maintaining critical service needs.

The final guideline listed might raise the question, "But departments submit 'wish lists', why then is it stated that budgets should be at maintenance level?" The key to this guideline is the phrase "critical service needs". This is the opportunity for a department to show what the requirements are to run at maximum efficiency. If what a department currently has is not enough, then the "wish list" is a way to get the conversation started on what is "enough".

## SO ARE WE DONE NOW?

Not quite. Once January 31st has passed and the Governor's Executive Budget Request has been submitted to the Legislature, the work continues. After all, the Governor's Executive Budget is a high level budget request that presents revenue projections, presents line agency programs, estimates federal funding, and proposes budget ceilings for each department.

Hold on, but the department sent in their "wish list" what more do they need? Remember the budget ceilings earlier? All "wish lists" are then reworked into departmental budgets made within the Governor's ceilings. These departmental budgets are due to the Legislature by mid-March.

The Legislature then has until August 31st to pass a Budget Act which the Governor then has 10 days to review before the bill passes into law.

Only once these steps are complete do we have the final product of a Government of Guam budget. It is this Budget Act that BBMR and departments use as a guide for ensuring that all operational, personnel, and service requirements are met throughout the fiscal year while still complying with the law.



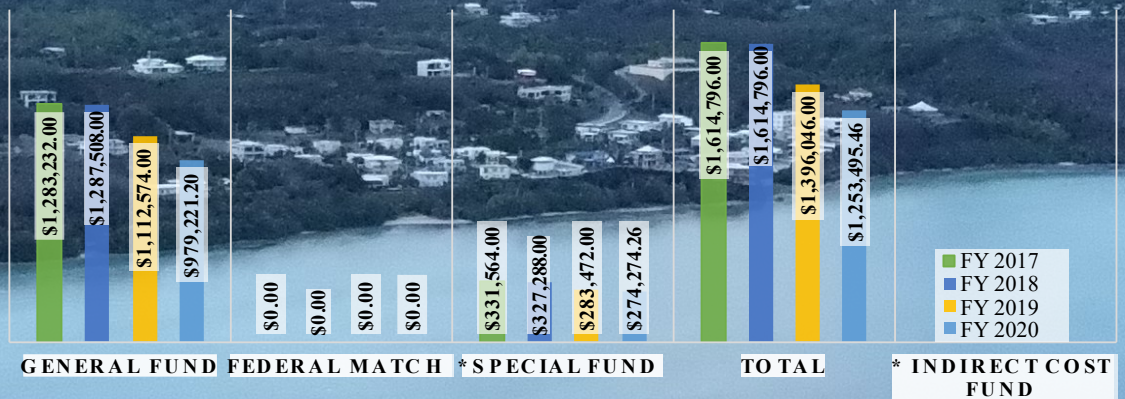
## CITIZEN CENTRIC REPORT



FOR FISCAL YEAR 2020

## BBMR FINANCIALS

## EXPENDITURES + ENCUMBRANCES



## WORKLOAD OUTPUT

Workload Indicator	FY 2018	FY 2019	FY 2020
1) Coordinate the preparation of the program and financial plan of the Executive Branch and submission of such plans to the Legislature	2	1	1
2) Fiscal Policy Committee Meeting	52	52	52
3) Cabinet Meetings	24	24	24
4) Review legislation and provide comments on proposals (FN, LRC)	176	248	202
5) Review of department request such as contracts, GGIs, travels, etc.	9,374	9,336	8,864
6) Indirect Cost Negotiation	1	1	1
7) Annual CIP requests to DOI	1	1	1

*An independent audit of the Government of Guam Wide Financial Statements was conducted, resulting in an unmodified, "clean" audit opinion for FY 2020. The audited financial report can be located for your review at [www.opaguam.org](http://www.opaguam.org).*

2020 ISLAND WIDE  
BEAUTIFICATION CLEAN UP

Despite the ongoing COVID-19 pandemic, the Bureau, in coordination with the Office of the Governor, participated in the Island Wide Beautification Cleanup on June 27, 2020.







## CHALLENGES AND FUTURE OUTLOOK

The short-term goals of BBMR includes improving delivery of services, such as quicker publication times of website content. Department certified budgets are one of the key reporting components in providing the public and other key stakeholders with important information. Through the progress of implementing a faster turnaround publication time, it is the hope of BBMR to maintain the continuum of government transparency, thereby improving upon the public's trust for the Administration. In consideration of this, the Bureau is formulating strategies for staff to be involved in website maintenance and troubleshooting training, and the collaboration of staff and management on suggestions for future website content. The challenge of this undertaking is that the maintenance and servicing of various Government of Guam department and agency websites are currently outsourced.

During the second half of FY 2020, the COVID-19 pandemic struck the island and the world. This caused the Bureau to undergo a "new normal" by revising its standard operating procedures, and adjusting to the newly implemented COVID-19 policies and measures. For the protection of its staff and the general public, the Bureau adapted by requiring line Agencies and Departments to submit all incoming documents electronically for processing, thereby reducing public contact. As a result of the pandemic, the island was fortunate to receive billions in numerous federal assistance grants which were awarded under the CARES Act in FY 2020 and the continued receipt of federal assistance under the Coronavirus Response & Relief Supplemental Appropriations Act of 2021 and American Rescue Plan Act of 2021. The Bureau continues to budget and monitor federal assistance received ensuring the funds spent are in compliance.

The long-term challenge BBMR faces is the need to rebuild its cadre of Analyst due to attrition, primarily due to the retirement of senior personnel and supervisors— some who have invested 30+ years with the Bureau and gained essential institutional knowledge during the course of their careers. Since FY 2016, the Bureau has been working on recruiting these critical vacant positions, as a total of twelve (12) senior staff, inclusive of senior Analysts and Analyst Supervisors, have retired or separated from the Bureau. The remaining tenured Analysts will mentor all incoming, entry-level personnel. Reconstituting personnel levels to establish qualitative staff will take time, but the Bureau presumes this to be a worthwhile and necessary endeavor that will culminate in a new era of efficacy and innovation.

The Leon Guerrero Administration has established a tenet of fiscal accountability and economic sustainability; that, with the assistance and collaboration of the GovGuam agencies and the Legislature — and in accordance with all applicable policies, directives and mandates — the Bureau will continue working to ensure that the island's residents receive the critical products and services needed, but also that we remain adaptable to change to overcome obstacles that may impede us from serving the public's best interests.



### CONGRATULATIONS TO OUR RETIREES

Thank you Diana Pobre (29 Years) and Angela Flores (35 Years) for your loyal service and dedication as public servants to the people of Guam and to the Bureau of Budget and Management Research.



### IN MEMORIAM

The Bureau mourned the loss of a beloved co-worker, mentor, and friend in late 2020. John A.B. Pangelinan was a valued member of the BBMR family. He was a devoted GovGuam employee whose career was spent in various roles within the Government. His dedication and work ethic was exceptional and unsurpassed. He will be greatly missed by his BBMR Family. We dedicate this CCR Report to his memory.

### WE WANT TO HEAR FROM YOU!

What are your thoughts on this report? Would you like to see other information included? Please let us know by contacting our office at (671) 475-9272.

Connect: <http://www.bbmr.guam.gov>